THIRD DAY.—*15th June 1927.*

Questions and Answers were taken up for the first half an hour. (Vide *Appendix III.*)

Discussions on the Budget (*resumed*).

MR. C. NARASIMHAIYA commenced by saying that the financial settlement of 1917 provided for annual contributions to Reserves and also to a Special Reserve for non-recurring expenditure. This was most commendable, and he regretted that such contributions had been discontinued in recent years. He did not understand how such a large amount as Rs. 5,60,000 could possibly have been drawn from the Spscial Reserve for expenditure during the budget year when, in his opinion, there was nothing like a Special Reserve for non-recurring expenditure. He rather thought that certain amounts, sanctioned by the Legislative Council for specific purposes, must have lapsed and were now proposed to be spent; if so, the procedure, in his opinion, was not satisfactory.

THE SECOND MEMBER OF COUNCIL replied that the amount represented extraordinary revenue which could have been shown as surplus if the Special Reserve had not existed. He assured the member that permission of the Legislative Council had been obtained for transferring the available surplus to the Special Reserve.

MR. NARASIMHAIYA, however, thought that that was an objectionable procedure and opposed to usual practice.

To this THE SECOND MEMBER OF COUNCIL replied that the arrangement was not open to any objection and that the need for it had been felt by other Governments.

Referring to the Assets and Liabilities Statement given in the Financial Secretary's Memorandum, in which the advances on the Receipts side were estimated to stand at Rs. 58,40,000 on 1st July 1928, MR. C. NARASIMHAIYA doubted the accuracy of the figures given. He invited reference to page (x) of the Budget Estimates according to which the amount of Advances in the budget year was

estimated at Rs. 46,95,100 while the figure on the expenditure side was Rs. 47,46,100. He contended that the assets ought to be about Rs. 51,000 more than the figure given and that therefore the estimated Advances on the 1st July 1928 should be not Rs. 58,40,000 but Rs. 58,91,000.

THE FINANCIAL SECRETARY explained that the figure given included also the objection book advances, so that when the debit and credit sides cancelled each other, the figure would be found to be absolutely correct.

THE SECOND MEMBER OF COUNCIL added that the Memorandum gave only an abstract, while the Budget furnished full details.

MR. NARASIMHAIYA desired that necessary details should be furnished in the Memorandum also.

The suggestion was noted.

Referring to page 2 of the Budget Estimates, MR. NARASIMHAIYA observed that the working expenses and depreciation under Sandalwood Oil Factories which used to be shown separately before, were now clubbed together, so that it was difficult to ascertain these ncessary details.

THE SECOND MEMBER OF COUNCIL replied that the change was due to the new method of calculating working expenses including depreciation.

MR. NARASIMHAIYA then made a suggestion with reference to possible sources of augmenting revenues. The total area under the Krishnarajasagara and all its channels came to about 50 square miles, and he suggested it that might be possible to derive considerable amount of income for the State by auctioning fishing rights in that area. Besides, large quantities of fish-manure were being obtained from outside which probably could be avoided if the possibilities in this direction were investigated. In case the proper kind of fish were not to be found here, he even thought that they could be introduced for the purpose.

Another source of augmenting the revenues of the State was, he said, by spending money on projects which would bring quick returns. He was of opinion that if some money was spent for the extension of the Ramasamudra and Chikdevarajasagara Nalas, large extents of land could be brought under cultivation with the consequent increase of revenue to Government. He said that the raiyats concerned were quite prepared to pay contributions for the purpose.

THE SECOND MEMBER OF COUNCIL replied that a sum of Rs. 10,000 had been provided for the first channel and that as work progressed additional funds would be provided.

THE DEWAN observed that there was not much scope for extension of cultivation under the Ramasamudram tank.

MR. NARASIMHAIYA said that under the Chikdevarajasagara there was full scope for the purpose and that at least this work should be commenced immediately.

THE SECRETARY TO GOVERNMENT IN THE PUBLIC WORKS DEPARTMENT explained that under the agreement with Madras only a specified quantity of water could be utilized for cultivation purposes from that tank.

MR. NARASIMHAIYA then urged that in spite of the levy of the education cess in the Mysore District a sufficient number of schools had not been provided for it. The amount provided, *viz.*, Rs. 10,000, was quite inadequate for the district, and increased grants were therefore necessary for the purpose.

Similarly in the matter of drinking water wells, the District Board was doing its best, but the amount promised by Government had not been paid. The District Board was prepared to spend some more money in the villages, but as Village Panchayats came into existence after such decision was reached, the District Board was in doubt whether the amount could be spent in the Panchayat areas. In any case, he said, that it was necessary that Rs. 50,000 more should be provided for drinking water wells.

Referring to the construction of a bridge at Akkihebbal and to the reply of Government to a certain member that it would be taken up after the Cauvery bridge was completed, he said that this latter work would take at least 3 or 4 years and that it was not necessary to postpone beginning the former for such a long time. He was afraid that in the meanwhile the District Board might change its mind in the matter of contributing its quota. He therefore requested an allotment of at least Rs. 50,000 being made in the Budget for the bridge at Akkihebbal.

THE THIRD MEMBER OF COUNCIL observed that if work was commenced it must be pushed to completion as quickly as possible. Otherwise the establishment itself would eat away the allotment.

MR. NARASIMHAIYA then requested that in that case a sum of Rs. 10,000 be provided so that the necessary material at least could be stocked in the budget year.

THE DEWAN replied that it was not likely that such a useful work as that would be forgotten and that it was better to wait till the completion of the other two works.

MR. M. C. LINGE GOWDA, who spoke next, congratulat-

ed the Government on the balanced budget. With regard to the anticipated income under the Revenue Department he said that large amounts of arrears were allowed to accumulate in the past years and so he was not sure how far the sum of Rs. 1,11,80,000 estimated under Revenue Receipts could be realized It was necessary, in his opinion, to examine the question as to why such arrears were accumulating from year to year. It appeared to him that the position could be improved materially if the officers entrusted with collection work were made to maintain proper receipt book, cash book and ledger, just as in any co-operative society or bank. At present, there was no receipt book and no check or audit to ascertain whether every payment found entry in the accounts. He proposed that the Sheikdar or a trustworthy official of the Taluk Office should be asked to audit the accounts of the village officers as was done in British India.

THE DEWAN replied that receipt books would be supplied to them.

THE FIRST MEMBER OF COUNCIL added that the receipt books were already under print. He observed that when the Record of Rights was introduced, the irregularities complained of would disappear, because while at present legal liability to pay rested with the *khatedar*, the land remained in the enjoyment and possession of some *hissedar* or tenant; but under the Record of Rights each *hisse* would be separately registered and the liability of each *hissedar* defined.

In the next place, MR. LINGE GOWDA observed that for want of proper facilities, the officials in Taluk Offices went on huddling up papers received by them, and suggested that chairs, tables and pigeonholes should be supplied to some Taluk Offices each year.

He then said that the present system of using 'Immediate,' 'Urgent' and other cards while submitting files should be given up as these were not being used properly and the delay in the disposal of papers was in most cases attributable to the clerks not putting up such cards. He therefore suggested that in lieu of these cards, a printed slip be attached to every file invariably, showing the date of receipt of the paper under disposal, date of submission, stages of pendency, and date of disposal, so that at first sight the delay, if any, in the submission or disposal could easily be noticed.

THE DEWAN observed that the suggestion seemed good and would certainly be considered.

With regard to the Development Departments in general MR. LINGE GOWDA said that they were proving increasingly beneficial to the people but wanted larger allotments to be made from year to year. He urged for more substantial provision under primary and middle school education and requested more schools being opened in the Mysore District.

Under backward class scholarships, he said that while the Assembly had urged for a provision of Rs. 2 lakhs a provision of only 1¾ lakhs of rupees had been made which was hardly sufficient; and the member regretted that even the sanctioned amounts were being allowed to lapse.

He also asked for a large provision for building grants.

With reference to the allotment of Rs. 3,110 at page 71 of the Budget for games and excursions, he said that it was not necessary to make any such special allotment so long as sports fees were being collected from all pupils. He observed that these collections were not being properly accounted for by the heads of institutions and suggested that committees shoulds be specially appointed for each school to administer the sports fund.

Mr. Linge Gowda also suggested that experimental and demonstration farms should be maintained separately and that for this purpose the amount already provided should be adequately increased. While experimental farms benefited for the most part educated persons, the ordinary raiyat could only appreciate demonstration farms and the work done thereon. He therefore proposed that demonstration farms should be opened in every taluk headquarter.

He was also of opinion that the sericultural industry should be popularized better as it was the only crop that could be reaped eight times in the course of one year and raiyats in all parts of the State should be enabled to appreciate the advantages of taking to it. With this object in view, he thought that better allotment should be made in the Budget. Provision was also necessary for establishing a cold storage plant, for distributing disease-free eggs and seed cocoons.

The SECOND MEMBER OF COUNCIL said that for the last mentioned item a provision of Rs. 3,500 had been made.

MR. LINGE GOWDA requested that it must be increased to at least Rs. 7,000. He also prayed for some provision for granting Sericultural scholarships.

He then referred to the regrettable state of tanks as a whole and requested that this matter deserved the foremost

and the most sympathetic consideration of Government. With regard to the answer furnished by Government to several questions regarding tank restoration and maintenance, *viz.*, that information was not available readily, he expressed a certain amount of surprise that the revenue and other departments concerned were not aware of essential facts relating to the condition of tanks, crops grown under them, etc. In this connection he said that several lands under the Tonnur tank in Seringapatam Taluk had no supply of water at all and that wet assessment was still being collected from the raiyats. He said that the same was the case with the lands under the Hirode tank also.

Lastly, he regretted the loss of cash in the Taluk Treasury at Mysore recently, and thought that such incidents could be avoided if only one treasury was located in any place. There would then be no need for sepoys in two places and the savings effected by abolishing their posts could be made use of for employing extra hands in the combined treasury.

THE FIRST MEMBER OF COUNCIL explained that originally there was only one treasury at district headquarters and that the Taluk Treasury was sanctioned as a result of representations from the Assembly.

MR. LINGE GOWDA reminded the Government of their promise to extend the railway connection to Satyamangala and requested that needful provision be made therefor.

Referring to the budget allotment for the Police Department, Mr. Linge Gowda regretted the reduction of Rs. 8,400 in the provision for the Police Force as compared with the grant for 1926-27 and urged for its restoration to the current year's limit at least in view of the urgent necessity to increase the existing Police Force. He advocated the abolition of the Criminal Investigation Department as it did not seem to serve any useful purpose and suggested that the savings thus effected be utilized for strengthening the constabulary.

THE THIRD MEMBER OF COUNCIL explained that the Criminal Investigation Department was meant for a different purpose, *i.e.*, to help the Police in detective work, in the investigation of heinous crimes and in tracing out dacoit gangs, etc., and that its duties were outside those of the regular Police.

MR. LINGE GOWDA next said that the grant for drinking water wells was inadequate and should be enhanced.

He was not in favour of utilising the District Board funds for improving the roads in the Yelandur Taluk which should be properly maintained from the Jahgir funds.

MR. HOSAKOPPA KRISHNA RAO who spoke next said that before proceeding to frame the State Budget the Government should carefully weigh the following considerations:—

(*a*) Whether the sources of revenue on which the Budget is based are permanent;

(*b*) whether the taxes levied, both direct and indirect, are adequate or press heavily upon the people;

(*c*) whether the country is able to bear them.

Judged by these standards, Mr. Krishna Rao was of opinion that the level of taxation in Mysore was very high and that it was dangerous for the State to base their calculations for the Budget on such taxation. People were also paying certain indirect taxes. These were obligatory taxes, although levied indirectly, from which there was absolutely no return to the people, such as customs duties, payments on account of the post office and mint, etc. Then there came the ordinary assessment which was recovered irrespective of the fact whether there was rain and crops had been raised or not. Over and above these, there were local cesses, like coffee cess and so on. In this way, Mysore, he said, was overburdened with taxation. In regard to the people who had to pay these taxes, he said that 70 per cent of them were too poor to pay. According to the calculations made by Sir M. Visvesvaraya, the average income of a man was Rs. 30 and the maximum was about Rs. 60 in India. The incidence of taxation in Mysore is Rs. 5 direct and Re. 1-8-0 indirect. That meant that a man paid altogether more than 20 per cent of his income as taxes, leaving only the remaining 80 per cent for his ordinary needs. In regard to his earning capacity, while a man in England earned on an average Rs. 7 per day, one in Mysore earned only 2 annas a day. He added that within the last 20 years, the income of Government from taxation had risen to one crore and twenty lakhs of rupees while the earning capacity of the people had remained the same. He was therefore of opinion that the taxation should be reduced. It was not desirable, he said, that the level of expenditure should be kept at the existing level of revenue since at least two important items of revenue, *viz.*, the income from Kolar Gold Fields and that derived from the Excise Department

could not be considered to be permanent. For these reasons, he was of opinion that the Budget could not be said to be a prosperity Budget. Even on merits, he said that it could not be said to be a really surplus Budget as it was balanced with the aid of Reserves.

Referring to the anticipated receipts under Land Revenue, he enquired whether it would be possible to realise Rs. 1,26,00,000 to the fullest extent in view of the low economic condition of the agricultural classes in particular. He therefore suggested that Government should devise ways and means for increasing the earning capacity of the people.

He said that the policy of meeting any portion of the State expenditure from out of the Reserves was not correct, the Reserves being purely a provision against risks and abnormal conditions. He very much wished that even though the Government were not in a position to make additional contributions to the Reserves in the new Budget, they had not drawn upon this fund for normal expenditure. He was likewise opposed to the idea of meeting certain special items of expenditure aggregating Rs. 5 lakhs from the Special Reserve.

In regard to the Assets and Liabilities Statement, he was glad to learn that the Railway Sterling Loan was fully covered and suggested that the sanction of the Government of India might be obtained to utilise the corpus of that loan for capital expenditure and postpone the date of its redemption.

THE SECOND MEMBER OF COUNCIL replied that the Government of India were not agreeable to the diversion of the fund to other proposes.

In conclusion, MR. HOSAKOPPA KRISHNA RAO appealed to Government to afford adequate relief to the raiyats in the dry districts by way of remissions on a liberal scale just as was done by the Hyderabad State during the past year.

MR. M. S. LINGE GOWDA was of opinion that it was not fair to call the Budget a deficit one as any slight fall under revenue heads was not going to upset the work of a big State.

He thought that it was the duty of Government not to increase the income under Excise and desired that the revenue under this head should be reduced by a fixed percentage annually. He suggested the appointment of a committee composed of officials and non-officials to suggest ways and means by which the excise revenue from year to year could be reduced in order to facilitate temperance reforms.

In regard to the Agricultural Department the speaker said that the experimental farms were only meant for the guidance of the absentee landlords. A practical agriculturist knew the uses of the several manures and what he required most was the demonstration of new agricultural developments on his farm itself. In this view, he wanted more demonstration farms, at least one in each taluk. He was also for stationing a senior officer of the department in each district headquarter for properly directing the agricultural operations of his subordinates. He considered that the provision made for laboratories in the Hebbal Farm was too meagre and wanted it to be enhanced considerably. He urged the need to train up local men for the live-stock section, and wanted a special grant for this purpose.

He also suggested that the vacation for agricultural schools might be granted during the harvest season so as to enable the pupils to assist their parents in harvesting crops.

In view of the expected return of Dr. Coleman to duty next month, he enquired whether the provision made for the Director's salary (Rs. 1,400 per mensem) did not need enhancement.

THE DEWAN replied that extra grants could be obtained in the event of Dr. Coleman's return.

MR. LINGE GOWDA emphasised the need to provide for the training of teachers on a larger scale before increasing the number of schools so that schools might be staffed with masters of good morals.

As some of the roads in the Bangalore District (*e.g.* Bangalore-Kankanhalli Road) were in utter disrepair, he urged for suitable grants to be made to the District Board for this purpose.

THE DEWAN informed the member that the District Board had sanctioned the necessary estimates therefor.

In regard to the restoration of tanks, MR. LINGE GOWDA wanted better attention to be paid to keeping the feeder channels in efficient condition. In this connection, he referred to the Dorakere and Bikasipur tanks, which, though repaired more than three times, were still found to be out of order and could not store up water.

Coming to the Medical Department he suggested the employment of a mobile corps as in the Veterinary Department to tour round the interior parts and treat chronic cases. He also urged the urgent need for installing electric lights in the in-patient wards of the Krishnarajendra Hospital at Mysore.

In regard to the budget estimates of the Industrial Department, Mr. Linge Gowda pointed out the need to indicate in the Budget under a fresh column the total capital outlay on each industrial concern managed by the State, so as to enable the members to calculate the percentage of loss in working. He thought it high time that Government handed over the Weaving and Soap Factories to private enterprises as they could not make any profit out of these two concerns.

He urged the need for opening more courts for the benefit of the litigant public.

In regard to recruitment to the lower ranks of the Police, he thought that it would improve the morale of the department if literate persons were selected hereafter. He also advocated the opening of a Reformatory School in the State.

He was of opinion that the spirit of communal bias among the higher officers of Government should be strongly discountenanced. In this connection, he referred to the reply of Government to an interpellation in the course of which it was stated that the Mysore Deputy Commissioner had given appointments to a large number of Brahmins. He suggested that the best remedy against the active exhibition of such communal bias was to order that promotions of officers would depend on the sympathy shown by them to the people irrespective of caste or creed.

MR. G. B. RAGHAVENDRACHAR who spoke next supported the statement of Mr. Hosakoppa Krishna Rao that Government had gone far beyond the taxable capacity of the people in framing their Budget. In point of heavy taxation, Mysore ranked next only to Bombay, the percentage being 5·6 against 7·8. In his opinion, the Budget was only a deficit budget even though it apparently showed a surplus of Rs. 30,000, since a large sum had been drawn from the Reserves. He thought that Government could have limited its encroachment on the Reserve Fund to the actual extent of balancing the Budget instead of aiming at showing a surplus, however nominal.

Referring to the provision made in the Budget for the Education Department, he pointed out that though the State spent 12 annas per pupil, which no doubt compared very favourably with the provision in the British Indian provinces, it could not be considered adequate to the actual needs of the situation. He instanced the case of America where the expenditure on primary education alone amounted

to Rs. 50 a year per head of population. He exhorted the Government to enhance the grant to the Education Department with a view to educating every citizen of the State at least up to the Lower Secondary grade. This, he said, would also increase the earning capacity of the people.

It was a pleasing feature, he said, to find an extra provision of half a lakh of rupees made for primary education. He drew the attention of Government to the difficulties of the boys in having to remain in the same class for years together on account of inadequate tuition and sometimes unwieldy nature of the classes. He strongly urged the need to improve the scales of pay of village school masters and for making a special provision of Rs. 90,000 therefor and for the additional grants of Rs. 36,400 and Rs. 50,000 for additional teachers and equipment, respectively, as recommended by the department. The allotment of Rs. 1½ lakhs for the backward class scholarships was considered by him to be quite inadequate and he wanted it to be enhanced to Rs. 3 lakhs.

Referring to the rumoured abolition of the women inspectorate, Mr. Raghavendarchar cautioned Government against adopting any such retrogade measure as the policy of staffing girls' schools with men teachers was condemned everywhere. He commended to the notice of the Assembly the practice of employing women teachers for the lower grades of education now obtaining in western countries.

As regards technical education, the member said that grave doubts were entertained in certain quarters about the utility of the Chamarajendra Technical Institute in Mysore and desired that either this Institute should be thoroughly re-organized so as to train students in various technical avocations or abolished altogether.

Provision for the education of the defectives being a legitimate charge on the State Budget, he suggested the conversion of the Deaf and Dumb School in Mysore which was a grant-in-aid institution into a pucca Government school and the opening of a similar school in Bangalore, by affording all possible facilities to the body of workers who were attempting to start one in that locality.

He brought to the special notice of Government the unsuitability of text-books prescribed for the primary and Lower Secondary grades, specially those prescribed for girls' school, and requested the whole question to be re-examined by the Text-book Committee.

MR. VEMA REDDY remarked that the Budget had been framed according to the routine method without regard to the variation in the productive capacity of agricultural lands, in spite of the continuous failure of crops during the past few years. He was sorely disappointed to find that Government had not given the least consideration to the contingency of having to remit the assessment, and had ignored the resolution passed at the last session of the Assembly recommending the amendment of the remission rules so that each tank might be deemed to constitute a unit for the purpose of the rules. Taking the conditions in the Kolar District, remission of assessment had to be given in the case of all lands lying under breached tanks and under tanks which received no supply of water during the past two years. He urged the need to delegate to the Deputy Commissioners the power of sanctioning remissions in all cases where the crop did not come up to 4 annas limit. He prayed for the issue of immediate orders staying coercive processes for the recovery of arrears in the Malur Taluk which had suffered very badly on account of drought.

THE DEWAN said that the matter would be enquired into.

MR. VEMA REDDY suggested that members of the Representative Assembly might be allowed the privilege of carrying on correspondence among themselves on service unpaid.

THE SECOND MEMBER OF COUNCIL replied that this privilege was already granted in respect of communications on official matters addressed to Government officers but that it was not possible to extend the concession in respect of other communications.

In view of the question of unemployment staring in the face, MR. VEMA REDDY suggested that sufficient facilities should be created for the educated people to settle themselves in rural parts and educate the village folk. He therefore urged the establishment of Middle Schools in villages for which special provision, he said, should be made in the Budget.

As regards the grant for the restoration of tanks, he drew the attention of Government to the heavy lapses in the Budget occurring every year in spite of the earnest attempts of the Chief Engineer and suggested as a remedy the provision of adequate staff and the timely sanction of estimates by Government.

With reference to the Forest Department Mr. Vema Reddy suggested the reduction in the number of Rangers

and increase in the number of Guards. He also pleaded for increase of pay to them.

He urged that a small extent of kavals should be set apart by Government in aid of the Gorakshana Sabha, for the use of the abandoned cattle and that they should also bear a certain amount of cost in protecting such cattle.

As regards the grants for the Medical Department, Mr. Vema Reddy regretted the absence of any provision for opening Ayurvedic dispensaries in all parts of the State.

He wanted that the accommodation for schools should be improved in the Middle Schools as he had reason to fear that even failed students were sent to the higher classes just to provide for fresh entries, which resulted in bringing down the level of education as a whole.

MR. Y. SRINIVASIENGAR of Yelandur in dealing with the objection raised by Mr. M. C. Linge Gowda to the contribution made by the District Board to the road improvement in the Yelandur Jahgir, represented that the residents of the Jahgir were to be considered as the subjects of His Highness the Maharaja even though they might be paying the taxes to the Jahgirdar, that Government had accepted that principle and allowed representation to the Jahgir both on the District Board and on the Representative Assembly, that the people of the Jahgir were paying all sorts of local cesses (Muzrai, Forest, Municipal, Local Fund and Income-taxes) just as any other citizens of the State and that they had organized the Village Panchayats and were attempting to move in a line with the other parts of the State in administrative measures. He added that they were perfectly willing to levy the education cess in Yelandur and were already contributing one-third of the local cesses to the District Fund and one-fourth to the Education Fund, and requested the extension of the education cess immediately. Certain departments like the Police and Muzrai had to be thoroughly overhauled and the system of hereditary appointments in them totally done away with. As the present Jahgirdar was not capable of bringing about any desirable reforms, he prayed that Government would intervene and improve matters by appointing an administrator without further delay.

In this connection, he invited the attention of Government to the opinions expressed by the late Dewan Sir M. Kantaraj Urs in his capacity as the Deputy Commissioner of Mysore and said that Yelandur was one of the most fertile spots in the State and deserved to be developed in the best interests of the people as a whole.

At this stage, the Assembly adjourned for lunch and re-assembled at 3-30 P.M.

MR. B. K. RAMAKRISHNAIYA represented that the grant of Rs. 7½ lakhs to the University was insufficient and that year after year the University had been applying for additional grants. To avoid that trouble, he requested that a sum of Rs. 10 lakhs might be provided in the Budget for University education. The Senate had sent up estimates for Rs. 12 lakhs and odd for the next year, but only the usual sum of Rs. 7½ lakhs had been provided in the Budget under discussion. The University could not therefore introduce new schemes which they had under contemplation and put up buildings for the Medical and Engineering Colleges.

He regretted that the Government did not consult the Senate in the matter of the location of the Medical College. Referring to the answer given to Question No. 2 (1), *viz.*, "Government are aware of the views of the Senate on the transfer of the Medical College," Mr. Ramakrishnaiya observed that so far as he was aware, the University had not given any definite opinion in the matter.

Finally he urged that the University should be given more powers than at present.

MR. H. C. DASAPPA observed that it was a very good sign to see that the Budget had been framed in such a way as to provide enough funds for necessary items of work of public utility.

Referring to the provision for enhanced receipts from Stamps he remarked that under the existing famine conditions, the Government were not justified in enhancing the process fees by 25 per cent and thus discouraging the people from filing suits in the Civil Courts. He regretted that in such an important matter which affected the litigant public of the State, the Government did not consult either the Representative Assembly or the Legislative Council and expressed the hope that the matter would be placed before the Assembly at the present session in a formal manner.

As regards industrial concerns run by the State, he was at a loss to know why there should have been continued losses year after year. The duty of a Government was to help nascent industries by undertaking demonstrations and not run the concerns themselves on commercial basis. He was of opinion that the soaps manufactured by the State were not as cheap as the imported ones and as such, instead

of incurring heavy losses, the Soap Factory might as well be shut down and transferred to a private agency. Instead of running industrial concerns at a loss, the money proposed to be spent on them might be utilised for subsidising the industry and giving loans for the purpose.

One important matter for consideration, he said, was whether the State had so many industries to justify the appointment of a Director of Industries. On the recommendations made by the Legislative Council, the post of the Director of Industries and Commerce had been abolished in Bombay as superfluous. The conditions in the State were not very different from those in Bombay and the appointment of the Director, he said, might therefore be done away with. The appointment had never been held by any expert except during the period when Sir Alfred Chatterton was the Director. If the Government considered that the post was very necessary, an expert in the line might be appointed in preference to a Civilian or Mr. Forbes might be put in charge of the Industries and Commerce Department, if he agreed. Revenue officers were not the right persons to be in charge of such a technical department. For the mere collection of statistics which could be done by anybody, there was no necessity to have an officer on a high salary.

Mr. Dasappa was of opinion that the Weaving Factory also which was not of much benefit to the people might be abolished

THE THIRD MEMBER OF COUNCIL observed that there were many points which the weavers had to learn in improved methods of weaving and as such it was not right to say that the institution was not of much use.

MR. DASAPPA however, maintained, that when an industrial concern proved to be unremunerative, prestige of Government should not stand in the way of abolishing it.

In regard to the Industrial Workshops, he agreed that the best solution was the one indicated in the Dewan's Address, *viz.*, the amalgamation of the several workshops into one.

He also thought that the Superintendents of Industries were superfluous for purposes of advice and that the people who were prepared to start industrial concerns at some cost would not grudge to spend a little more for the best expert advice without the intervention of Government.

In connection with the Economic Development Scheme, he stated that suitable persons were not appointed as Economic Superintendents. They had neither the physique, the

expert knowledge nor the push required of them to persuade the people, and the Vice-Presidents of the District Boards could do the work much better if some allowances were given to them.

THE DEWAN replied that the Economic Superintendents had been doing good work and that there was nothing to complain against them.

MR. DASAPPA, however, said that he was of a different opinion and that the Government were free to take it or not.

In respect of women's education, he observed that some time back a committee was appointed to go into the whole question of female education in Mysore and that that committee sent up certain recommendations in regard to the award of scholarships, etc., to the ladies. But till now no action had been taken and the people had begun to lose confidence in the intentions of Government in regard to the development of female education. He therefore requested the Government to take immediate action in the matter and give effect to the proposals submitted by the committee as far as possible. Until that was done, it would not be possible to effect much progress in the field of women's education.

Referring to the Exhibition, he pointed out that there were two non-officials on the committee of which one was the Secretary and the other an Advocate. He was of opinion that if the Exhibition were to be successful, influential traders and craftsmen must be on the committee.

THE DEWAN observed that the Government had that point in view.

As regards the Co-operative Department, MR. DASAPPA observed that the Honorary Supervisors had been doing very good work and as such deserved encouragement. He advocated the need for appointing Supervisors for every taluk.

Lastly, he emphasised the need for paying greater attention to the physical education of boys and girls.

MR. K. T. SATYANARAYANA CHETTY observed that out of the total estimated revenue of the State, only about Rs. 90 lakhs was spent on the people for education, medical aid, etc. That amount did not even work out at Rs. 2 per head of population. He was of opinion that in framing the Budget, a certain proportion of the income should be set apart as reserve to fall back upon in times of distress and other unforeseen contingencies. In order to find that amount, the cost on establishments should be curtailed and

any extra expenditure which would not benefit the raiyats should be discouraged. He deprecated the practice of drawing upon the Reserves for balancing the Budget.

Referring to the Forest Department, he pointed out that in the budget estimate for the year 1927-28, a sum of Rs. 33,500 in excess of the estimate for the year 1926-27 had been provided for increasing the number of Assistant Conservators and Rangers, etc. He was of opinion that there was no necessity for increasing the staff and thereby enhancing expenditure in the department.

He suggested that the pay of officers drawing Rs. 500 and above might be reduced by a certain percentage.

He was of opinion that primary education being more important than University education, greater attention and larger grants were necessary therefor. The needs of the University might be considered after meeting the complete requirements of the primary education.

He suggested that larger grants than those provided in the Budget were necessary for the Village Panchayet Scheme.

MR. G. PARAMASIVIAH, criticising the observations of certain members regarding the utilisation of the Reserves for balancing the Budget, said that so long as the Reserves were employed on capital works, there was no objection to draw upon Reserves. He then referred to the statement made in the Birthday Session of 1926 regarding the conversion of the short term loans into long term loans and requested that action might be taken in the matter as early as possible as that would release a sum of nearly Rs. 20 lakhs payable as interest and sinking fund charges, for meeting other expenditure.

As Excise income was going down, he requested that Government should constitute a fund similar to the Gold Mining Capitalisation Fund from the interest of which the loss of Excise revenue might be made up.

With reference to the Education Department, he said that large grants lapsed year after year. He represented that the amount remaining to the credit of the department at the end of the year might be treated as a re-grant to the department instead of allowing it to lapse. That would help a great deal in the conversion of the Incomplete Middle Schools into pukka Middle Schools.

With reference to the sum of Rs. 60,000 provided under chattrams he thought that it was unnecessary in view of the policy to abolish the chattrams and that it might

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be utilised for helping chronic invalids and incurables in Mysore and Bangalore.

As regards the Maralavadi tank, he pointed out that the amount of Rs. 15,000 provided for in the Budget for the next year was not sufficient even to clear the weeds, etc., and requested that the grant should be enhanced and the work completed soon. Otherwise, the large amount of money already spent on the tank would be wasted.

THE THIRD MEMBER OF COUNCIL observed that in respect of contribution from the raiyats there had been some correspondence going on and the work would be taken up as soon as possible.

With regard to the industrial concerns, MR. PARAMASIVIAH said that they were first taken up as experiments and later on, for some reason or another, Government were induced to sink more money on them even when it was proved that they entailed losses. He agreed with Mr. H. C. Dasappa that when Government could not manage them without incurring losses, they should be handed over to private enterprise. In his opinion instead of Government embarking upon industries themselves, persons interested in such industries should be sent to foreign countries with suitable scholarships with a view to enable them to establish the industries with their own capital.

At this stage, THE DIRECTOR OF INDUSTRIES explained the causes for the losses on industrial concerns. He said that out of Rs. 1,26,000 shown as losses in the Financial Memorandum Rs. 71,000 related to the Industrial Workshop. That amount did not represent the loss of one year, but the accumulated losses of many years. At the time it was established, the cost of machinery had gone up very high owing to war conditions. Prices had gone down since and in re-valuing that machinery a sum of Rs. 71,000 had to be written off.

With regard to the Weaving Factory, he said that as many as 10,000 fly-shuttles were made there and supplied to the weavers. In Mysore, after the agricultural industry, weaving was the most important in which about 20 lakhs of people were employed. With all that, the weavers as a class were very poor. At one time Bangalore was a big distributing centre of cloth. For some time past and since the war the weaving industry had been disorganised. At such a time the Weaving Factory was established not with a view to making profit out of it, but to demonstrate to the people the possibility of improving the industry. A large

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number of people had been trained in the factory. The looms made there were very popular and many applications were being received for their supply. On account of the establishment of the factory, 10 private factories were opened in Bangalore. The loss of Rs. 43,000 on the factory was due to the fact that considerable expenditure had to be incurred on account of the training given to the students and experiments made on the various kinds of yarn of different varieties.

Regarding the Soap Factory, the Director stated that it was established some 7 or 8 years back and it was capable of turning out 10 tons of soap a month. The capital invested on the factory was Rs. 50,000 and the income so far was Rs. 75,000. On account of the Government Soap Factory, 5 private soap factories had been established in Bangalore. The factory had been spending about Rs. 1,000 a day and was capable of considerable improvement by making use of the glycerine that was running into waste. The loss on account of the factory was due to the fact that no agent had been appointed last year and it was difficult for the factory to attend to both manufacture and sale. If the number of soap factories in the State increased, much of the raw produce which was being exported to foreign countries might be utilised in the State and the question of unemployment also might be solved to a little extent.

MR. M. S. LINGE GOWDA enquired what the capital cost of the 5 concerns were.

THE DIRECTOR OF INDUSTRIES replied that it was Rs. 3 lakhs.

MR. LINGE GOWDA thereupon observed that a loss of Rs. 1,26,000 on a capital of Rs. 3 lakhs was certainly a matter that should cause anxiety.

MR. M. VENKATAKRISHNAIYA observed that the main principle to be kept in view in framing the Budget was that expenditure should be within the revenues and the balance must be kept in reserve. Otherwise the State would be handicapped in times of distress, such as famine, etc. He also mentioned that it was the opinion of the late Dewan Rangacharlu that Indian States should spend all their income for the benefit of the subjects of the State and have a deficit budget, or else there might be some outside influence on account of which they might have to give away all their surpluses to the Imperial Government.

He was of opinion that reproductive works must be carried out from borrowed capital. Instead of borrowing

money from outside paying heavy interest, the Reserves might be utilised for the purpose. He said that there could be no objection to such a procedure.

The question of unemployment, he thought, had become a serious problem and if it was not solved, there would be anarchism, etc., as in Russia.

With reference to the losses in the industrial concerns, Mr. Venkatakrishnaiya quoted an adage "Spend half of your income and lose it for getting experience as to how you should spend the other half for profit." In that view, he thought that there was nothing extraordinary in the losses complained of. On the other hand, training in those industries would increase the earning capacity of the people.

He was of opinion that on a strict scrutiny of the establishment charges, etc., savings might be effected to the extent of 10 to 12 lakhs of rupees.

He suggested the appointment of a Commission to report upon the drawbacks of the present system of education in Mysore. Speaking of the University education, he said that the University had its own uses in building up the nation and that if one "Edison" could be produced in Mysore, the University would have justified the crores of rupees that might be spent upon it. In that view, the expenditure on the University should not be grudged.

He recommended the system of Carneige Trust for adoption by the Mysore Government. If more money was spent on education under that scheme, it would in the long run have the effect of reducing unemployment by increasing the avenues for industrial activities by better education.

MR. VENKATASWAMI GOWDA of Goribidnur represented that the grant-in-aid school at Manchenahalli might be converted into a Government school for which a contribution of Rs. 600 had been made by the people.

The THIRD MEMBER OF COUNCIL observed that the question would be taken up after the education cess was levied in the district.

With regard to irrigation cess, MR. VENKATASAMI GOWDA said that it was being levied even on Government land. It was usual to levy the cess only on inamti lands. On complaints made, the cess was abolished in all the taluks of the Kolar District except Chikballapur and Goribidnur. He represented that those two taluks also might be exempted from the payment of the cess.

He represented that he belonged to the Sadar community and that his community was not shown as a separate one in the last census, but was included in the Vokkaligars.

He requested that the Sadar community might be shown as a separate one.

MR. K. T. BHASHYAM IYENGAR felt that it was not satisfactory to draw more and more money year after year from the Reserve Funds. In the first year of the triennium one lakh was drawn, in the second 8 lakhs and in the third 15 lakhs was proposed to be drawn, and at that rate there would not be any money left in the Reserves in the next few years. As Mr. Hosakoppa Krishna Rao stated, the Reserves should be operated upon only in times of distress and famine and not at other times. He expressed the hope that Government would not at least in the future draw money from the Reserves.

On the last occasion, Mr. Md. Abbas Khan objected to the policy of drawing upon the Reserves for balancing the budget but hoped that it would not be repeated in future years. But this year, the Government repeated it and he was surprised to see Mr. Md. Abbas Khan acclaiming it.

MR. MD. ABBAS KHAN replied that he only objected to utilising the Reserves for current expenditure and that he had no objection for spending the money on capital works yielding revenue.

MR. BHASHYAM hoped that in future the Reserves would be strengthened rather than depleted. He did not agree to the expenditure of Rs. 4 lakhs and odd from the Irrigation Reserve for irrigation works charged to revenue.

THE DEWAN observed that in order to improve the tanks money had to be drawn from the cess fund and it was proposed to spend more and more out of it for the lasting benefit of the people.

MR. K. T. BHASHYAM thought that it would be better to effect retrenchments in service heads rather than trench upon Reserves to balance the Budget.

THE DEWAN observed that retrenchments to the extent of Rs. 2 lakhs had already been effected under service heads.

MR. BHASHYAM said that the abolition of the posts of Revenue Commissioner and the Assistant Superintendents of Police might also be considered. In his opinion the State had more officers than necessary.

He thought that there was no need for holding an examination for selecting candidates for the Civil Service and thereby increasing the number of officers.

THE THIRD MEMBER OF COUNCIL observed that the examinaition was intended to select candidates for existing vacancies and as such it was not right to say that there was no need for it.

With reference to the provision of Rs. 18 lakhs for Sinking Funds, MR. BHASHYAM reminded the Dewan of the statement made last year that so much would not be needed in future in view of the contemplated conversion of short term loans into long term ones. He hoped that early action would be taken in the matter.

He said that in the Railway Department, for an income of one rupee, there was an expenditure of 10 annas and necessary action should be taken to reduce the working expenditure in the department.

He represented that as the sale of sandal oil was brisk, facilities might be given to the people to grow sandal trees. He had no objection to Government levying royalty, if necessary. He wanted that rules in this behalf should be made more elastic by taking away the State monopoly from sandal wood.

As the production of sandal oil was in the nature of an industrial concern, the profits accruing therefrom might be shown under industrial concerns and due credit given to the Forest Department for its sandal wood.

THE THIRD MEMBER OF COUNCIL observed that that system was in vogue sometime back but was given up as it did not work satisfactorily.

MR. BHASHYAM observed that the expenditure in the Forest Department excluding that of the factories amounted to nearly three-fourths of the income from the department. The average income per acre was not even three annas and in some places it was very much less. He drew the attention of the House to the report submitted to the Parliament by Mr. Crear, in the course of which it was stated that it was possible to get an income of Rs. 2 for every acre of the forest. The speaker thought that the management of the department was not quite satisfactory. If it could be managed efficiently, Government might expect to get at least one rupee per acre.

He was of opinion that greater attention should be paid in respect of forest produce.

Referring to page 30 of the Budget, he enquired who was responsible for the sum of Rs. 4,000 and why it was irrecoverable.

THE SECOND MEMBER OF COUNCIL observed that it was money advanced to contractors.

At this stage, the meeting terminated to meet again at 12 NOON the next day.